TO: Agency Accounts Payable Financials

FROM: Brian Hampton, Financial Distribution Production Team Lead

SUBJECT: Updated 1099 Processing for Calendar Year 2005

DATE: December 30,2005

This memo contains a 1099 Agency address verification list (Attachment A), Training information, Schedule for 1099 processing for 2005 (Attachment B), an Overview of 1099 processing in PeopleSoft, and 1099 panel views with descriptions (Attachment C). Please distribute this information to appropriate Accounts Payable staff.

1099 Agency Address Verification:

The address listed for your agency is printed on the 1099 MISC Forms (See Attachment A). Please confirm that the address listed for your agency is correct. If your agency has any address changes, please contact Deborah Cooper with the State Accounting Office Helpdesk at (404) 657-3956 or email to email address acctspay@sao.ga.gov by Friday, January 6, 2006.

The 1099 MISC forms will be mailed to DTAE for all Technical Schools except Dekalb Technical College and Atlanta Area Technical College. All other agencies will have their 1099 MISC forms routed in the same way as their system checks.

1099 Training

Due to the current progression toward the upgrade of PeopleSoft Financials to version 8.8, no training classes will be conducted during this time. However, the training manual for the Advanced Accounts Payable class can be found on the website http://phoenix.gagta.com/, under Training/Manuals/ PS APZ003/Section 4-1099 Processing.

1099 Schedule:

It is very important to complete your analysis and corrections according to the attached schedule (See Attachment B). Processing will take place for all agencies on the dates indicated to meet the deadline set by IRS. If you have any questions, please contact Deborah Cooper at the State Accounting Office Helpdesk at (404)657-3956.

People Soft 1099 Overview:

The first step in the 1099 process is to establish appropriate vendors as 1099 applicable; therefore, any vendors, beneficiaries or individuals for whom you need to produce a 1099 MISC Form must be setup as a vendor. 1099 information specific to each vendor is captured on the 1099 Vendor Information panel under Maintain Vendors-Inquire. If a vendor is marked as 1099 applicable, then all lines for a voucher to that vendor will be marked as 1099 applicable; these lines can be deselected before a 1099 Ledger Update. 1099 applicable voucher line amounts are posted to a 1099 Ledger, summarizing vendors' 1099 transactions by calendar year for each business unit. Once the 1099 balance is posted for a voucher, any

changes in the balance must be done via a 1099 Adjustment Panel. Then, the 1099 Adjustment transaction is posted to the 1099 ledger. The final 1099 ledger is the basis for vendor reporting and IRS file creation.

1099 Adjustments:

If a vendor's 1099 reporting has been overstated or understated, corrections to the vendor's 1099 balance can be made via the 1099 Adjustment panel [Administer Procurement – Maintain Vendors – Use – 1099 Adjustments]. The 1099 Adjustments panel allows users to adjust the overall 1099 balance for a vendor at the business unit level, or to apply an adjustment to a specific voucher. See the attached 'Entering and Posting a 1099 Adjustment' instructions (included in Attachment C).

1099 Reporting:

Applicable 1099 vendors with payments totaling \$600.00 or more are required to receive a 1099 MISC Form. The 1099s will be printed on laser forms and will be folded and sealed at the CCC Print Facility. The print date can be found in Attachment B.

The 1099 block numbers are the same as previous years 1- Rents, 6- Medical and Health Care Payment, and 7 – Non-employee Compensation. Wages paid to an estate or beneficiary should be entered as code 3 – Prizes, etc., using a 1099 Adjustment.

The following 1099 Reports are on-request reports available any time in PeopleSoft, but will be produced automatically with each 1099 Ledger Update.

- **1099 Detail Report** (APXXX0413,) This report provides a list of 1099 applicable vouchers in vendor name order. Vouchers that have been updated to the 1099 Ledger will no longer appear on this report. The 1099 Detail Report will be produced automatically before each 1099 Ledger Update. (See Attachment C)
- **1099 Summary Report** (APXXX0412) This report provides a list of the vendors in vendor name order and the 1099 codes/amounts from the 1099 Ledger. The 1099 Summary Report will be automatically produced after each 1099 Ledger Update (See Attachment C for instructions on manually requesting).

Each 1099 Detail Report should be retained and summarized with all 1099 Adjustments (use query 0AP001 to obtain all adjustments) to calculate the vendor totals reflected on a current 1099 Summary Report; this is because once a voucher is listed on the Detail Report and updated to the ledger, it will not be listed again.

Even though each ledger update is for a specified period of time, the 1099 Detail Report will always show the Begin Date of January of the calendar year, because the ledger update process always goes back to January and updates through the last month of the update period. This is done to ensure that all prior period 1099 vouchers and 1099 Adjustments are selected and posted to the ledger.

1099 Balance Inquiry:

This inquiry displays the 1099 Balance for a vendor. Since vendors are defined at the STATE level, the inquiry displays 1099 Balances for all business units. Once a 1099 Adjustment has been posted, the amount will be reflected on the 1099 Balance Inquiry. Business Units must scroll the list to find their data. (Navigation: GO – Review Vendor Information – Inquire – 1099 Balance)

Attachment A – 1099 Agency Address Verification List

SetID	Control ID	Name 1	Payer St	City	State	Postal Cd
40200	AGRICULTUR	DEPARTMENT OF AGRICULTURE	AGRICULTURE BLDG., ROOM 210	ATLANTA	GA	30334
40300	DOAS	DEPARTMENT OF ADMINISTRATIVE SERVICES	200 PIEDMONT AVE., SUITE 1820 W. TOWER	ATLANTA	GA	30334
40400	AUDITS	DEPARTMENT OF AUDITS	254 WASHINGTON STREET, ROOM 214	ATLANTA	GA	30334
40600	BANK & FIN	DEPARTMENT OF BANKING & FINANCE	2990 BRANDYWINE ROAD, ROOM 200	ATLANTA	GA	30341
40800	INS. COMM.	COMMISSIONER OF INSURANCE	200 PIEDMONT AVENUE, SUITE 916 WEST	ATLANTA	GA	30334
40900	GSFIC	GA STATE FINANC & INVEST COMM.	270 WASHINGTON STREET, 2ND FLOOR	ATLANTA	GA	30334
41100	DEFENSE	DEPARTMENT OF DEFENSE	P. O. BOX 17965	ATLANTA	GA	303160965
41400	DOE	DEPARTMENT OF EDUCATION	205 BUTLER STREET, SUITE 1652 EAST	ATLANTA	GA	30334
41500	DTAE	DEPT. OF TECHNICAL & ADULT EDUCATION	1800 CENTURY PLACE, SUITE 400	ATLANTA	GA	303454304
41900	DMA	DEPARTMENT OF COMMUNITY HEALTH	2 PEACHTREE STREET, ACCOUNTING, 34TH FL	ATLANTA	GA	30334
42000	FORESTRY	GEORGIA FORESTRY COMMISSION	P. O. BOX 819	MACON	GA	31202
42200	OPB	OFFICE OF PLANNING & BUDGET	270 WASHINGTON STREET,S.W.	ATLANTA	GA	30334
42700	DHR	DEPARTMENT OF HUMAN RESOURCES	2 PEACHTREE ST., 27TH FLOOR, ROOM 402	ATLANTA	GA	303033142
42800	DCA	DEPARTMENT OF COMMUNITY AFFAIRS	60 EXECUTIVE PARK SOUTH,NE;ACCTS PAYABLE	ATLANTA	GA	30303
42900	I. T. & T	GA DEPT OF ECONOMIC DEVELOPMENT	75 FIFTH STREET, NW SUITE 1200	ATLANTA	GA	30308
43000	J.C. OF GA	JUDICIAL COUNCIL OF GEORGIA	244 WASHINGTON ST., SUITE 550	ATLANTA	GA	303345900
43600	SUP. CTS.	SUPERIOR COURTS OF GEORGIA	18 CAPITOL SQUARE, SUITE 108	ATLANTA	GA	30334
43800	S.C. OF GA	SUPREME COURT OF GEORGIA	JUDICIAL BUILDING	ATLANTA	GA	30334
44200	LAW DEPT.	DEPARTMENT OF LAW	40 CAPITOL SQUARE	ATLANTA	GA	30334
44400	GEN. ASSEM	GENERAL ASSEMBLY OF GEORGIA	434 STATE CAPITOL	ATLANTA	GA	30334
46000	MERIT SYS	MERIT SYSTEM ADMINISTRATION	200 PIEDMONT AVE., SUITE 1016 WEST	ATLANTA	GA	30334 300321513
46100	YOUTH SVCS	DEPT. OF JUVENILE JUSTICE,OFS DEPARTMENT OF NATURAL RESOURCES	3408 COVINGTON HIGHWAY	DECATUR	GA	
46200	DNR		#2 M.L.K.,JR. DRIVE, 1262 EAST TOWER	ATLANTA	GA	30334 30334
46500 46600	PARD & PAR PUB.SAFETY	BOARD OF PARDONS & PAROLES DEPARTMENT OF PUBLIC SAFETY	2 M.L. KING,JR. DR., SUITE 1120 WEST 959 E. CONFEDERATE AVENUE,S.W.	ATLANTA ATLANTA	GA GA	30334
46700	CORRECTION	DEPARTMENT OF FUBLIC SAFETT DEPARTMENT OF CORRECTIONS	2 M.L. KING,JR. DR., SUITE 766 EAST	ATLANTA	GA	30334
46900	OSR	GA DEPT OF EARLY CARE & LEARNING	10 PARK PLACE, SUITE 200	ATLANTA	GA	30303
47100	GBI	GEORGIA BUREAU OF INVESTIGATION	P. O. BOX 370808	DECATUR	GA	300370808
47400	REVENUE	DEPARTMENT OF REVENUE	1800 CENTURY CENTER BLVD SUITE 17-235	ATLANTA	GA	30345
47500	DMVS	MOTOR VEHICLE SAFETY, DEPT. OF	2206 EAST VIEW PARKWAY	CONYERS	GA	30013
47800	SOS	OFFICE OF SECRETARY OF STATE	2 M.L. KING, JR. DR., SUITE 820 WEST	ATLANTA	GA	30334
48400	TRANSPORT.	DEPARTMENT OF TRANSPORTATION	2 CAPITOL SQUARE	ATLANTA	GA	30334
48800	VET SVCS	DEPARTMENT OF VETERANS SERVICES	FLOYD VET. MEM. BLDG., ROOM E-970	ATLANTA	GA	30334
48900	SITF	SUBSEQUENT INJURY TRUST FUND	1720 PEACHTREE STREET, SUITE 500 N. TOWER	ATLANTA	GA	303092420
49000	WKRS COMP	STATE BOARD OF WORKER'S COMPENSATION	270 PEACHTREE STREET,N.W.	ATLANTA	GA	303031299
81600	GATC	GEORGIA AVIATION & TECHNICAL COLLEGE	71 AIRPORT ROAD	EASTMAN	GA	31023
81700	TECH INST	SANDERSVILLE TECHNICAL COLLEGE	1189 DEEPSTEP ROAD,P.O. BOX 6179	SANDERSVILLE	GA	31082
81800	TECH INST	OKEFENOKEE TECHNICAL COLLEGE	1701 CARSWELL AVENUE	WAYCROSS	GA	31503
81900	TECH INST	WEST GA. TECHNICAL COLLEGE	303 FORT DRIVE	LAGRANGE	GA	30240
82000	TECH INST	ALBANY TECHNICAL COLLEGE	1021 LOWE ROAD	ALBANY	GA	31708
82100	TECH INST	ALTAMAHA TECHNICAL COLLEGE	1777 WEST CHERRY STREET	JESUP	GA	31545
82200	TECH INST	ATHENS TECHNICAL COLLEGE	800 US HIGHWAY 29 NORTH	ATHENS	GA	30601
82300	TECH INST	ATLANTA TECHNICAL COLLEGE	1560 METROPOLITAN PARKWAY	ATLANTA	GA	30310
82400	TECH INST	AUGUSTA TECHNICAL COLLEGE	3200 AUGUSTA TECH DRIVE	AUGUSTA	GA	30906
82500	TECH INST	EAST CENTRAL TECHNICAL COLLEGE	667 PERRY HOUSE ROAD	FITZGERALD	GA	31750
82600	TECH INST	WEST CENTRAL TECHNICAL COLLEGE	176 MURPHY CAMPUS BOULEVARD	WACO	GA	30182
82700	TECH INST	CHATTAHOOCHEE TECHNICAL COLLEGE	980 SOUTH COBB DRIVE	MARIETTA	GA	30060
82800	TECH INST	COLUMBUS TECHNICAL COLLEGE	928 MANCHESTER EXPRESSWAY	COLUMBUS	GA	31904
82900	TECH INST	COOSA VALLEY TECHNICAL COLLEGE	ONE MAURICE CULBERSON DRIVE	ROME	GA	30161
83000 83100	TECH INST	DEKALB TECHNICAL COLLEGE	495 NORTH INDIAN CREEK DRIVE	CLARKSTON GRIFFIN	GA	300212397 30223
83200	TECH INST GTC	GRIFFIN TECHNICAL COLLEGE GWINNETT TECHNICAL COLLEGE	501 VARSITY ROAD	LAWRENCEVILLE	GA GA	30043
83300	TECH INST	HEART OF GA TECHNICAL COLLEGE	560 PINEHILL ROAD	DUBLIN	GA	31021
83400	TECH INST	LANIER TECHNICAL COLLEGE	2990 LANDRUM EDUCATION DRIVE	OAKWOOD	GA	30566
83500	TECH INST	CENTRAL GEORIGA TECHNICAL COLLEGE	3300 MACON TECH DRIVE	MACON	GA	31206
83600	TECH INST	MIDDLE GEORGIA TECHNICAL COLLEGE	80 COHEN WALKER DRIVE	WARNER ROBINS	GA	31088
83700	TECH INST	MOULTRIE TECHNICAL COLLEGE	800 VETERANS PARKWAY NORTH	MOULTRIE	GA	31788
83800	TECH INST	NORTH GA TECHNICAL COLLEGE	P.O. BOX 65	CLARKESVILLE	GA	30523
83900	TECH INST	NORTH METRO TECHNICAL COLLEGE	5198 ROSS ROAD	ACWORTH	GA	30102
84000	TECH INST	APPALACHIAN TECHNICAL COLLEGE	100 CAMPUS DRIVE	JASPER	GA	30143-127
84100	TECH INST	SAVANNAH TECHNICAL COLLEGE	5717 WHITE BLUFF ROAD	SAVANNAH	GA	31405
84200	TECH INST	SOUTH GA TECHNICAL COLLEGE	1583 SOUTHERFIELD ROAD	AMERICUS	GA	31709
84300	TECH INST	SOUTHEASTERN TECHNICAL COLLEGE	3001 EAST FIRST STREET	VIDALIA	GA	30474
84400	TECH INST	OGEECHEE TECHNICAL COLLEGE	#1 JOE KENNEDY BOULEVARD	STATESBORO	GA	30458
84500	TECH INST	SWAINSBORO TECHNICAL COLLEGE	346 KITE ROAD	SWAINSBORO	GA	30401
84600	TECH INST	SOUTHWEST GEORGIA TECHNICAL COLLEGE	P. O. BOX 1578	THOMASVILLE	GA	31799
84700	TECH INST	FLINT RIVER TECHNICAL COLLEGE	1533 HWY 19 SOUTH	THOMASTON	GA	30286
84800	TECH INST	VALDOSTA TECHNICAL COLLEGE	P. O. BOX 928	VALDOSTA	GA	31603
84900	TECH INST	NORTHWESTERN TECHNICAL COLLEGE	P. O. BOX 569	ROCK SPRING	GA	30739
90600	GEA-SCHOOL	GA EDUCATION AUTHORITY-SCHOOLS	2 MLK DRIVE, SUITE 1002 WEST TOWER	ATLANTA	GA	30334

90700	GEA-UNIV	GA EDUCATION AUTHORITY-UNIV	2 MLK DRIVE, SUITE 1002 WEST TOWER	ATLANTA	GA	30334
97700	PUB TELE	PUBLIC TELECOMMUNICATIONS	260 14TH STREET, N.W.	ATLANTA	GA	303185360
97900	FOUNDPBGA	FOUNDATION FOR PUBLIC BROAD. OF GA.	260 14TH STREET	ATLANTA	GA	303185360
98000	GTA	GEORGIA TECHNOLOGY AUTHORITY	200 PIEDMONT AVENUE, SUITE 1520 W. TOWER	ATLANTA	GA	30334

Attachment B – 1099 Processing Schedule for 2005

Year Round – Agencies should request and review the APXXX0413 1099 Detail report to analyze 1099 applicable vouchers.

Friday, May 6, 2005 - 1099 Ledger Update #1 for 1099 applicable vouchers in PeopleSoft for the months of January 2005 – April 2005. The 1099 Detail Report will be automatically produced <u>before</u> the 1099 Ledger Update. The 1099 Summary Report will be automatically produced <u>after</u> the 1099 Ledger Update for agencies to review.

After the 1st 1099 Ledger Update (May 6, 2005)- Agencies should begin entering 1099 Adjustments and requesting the APXXX412 1099 Summary Report as tools for correcting 1099 vendor balances prior to creation of the 1099 forms and IRS file. The Adjustments can be POSTED immediately to the 1099 Ledger (See the attached instructions 'Posting a 1099 Adjustment) or automatically posted during the next scheduled FSS 1099 Ledger Update.

Wednesday, September 7, 2005–1099 Ledger Update #2 for 1099 applicable vouchers in PeopleSoft for the months of May 2005 – August 2005 1099 Data. The 1099 Detail Report will be automatically produced <u>before</u> the 1099 Ledger Update. The 1099 Summary Report will be automatically produced <u>after</u> the 1099 Ledger Update for agencies to review.

Friday, January 6, 2006 – **1099 Ledger Update #3** for 1099 applicable vouchers and adjustments in PeopleSoft for the months of September 2005 – December 2005. The 1099 Detail Report will be automatically produced before the 1099 Ledger Update and the 1099 Summary Report will be automatically produced after the 1099 Ledger Update for agencies to review. The 1099 Ledger Update will occur in overnight processing so users will have the entire working day to complete their adjustments.

Monday, January 9 - Wednesday, January 11, 2006 – Agencies enter 1099 Adjustments as needed for balances updated to the 1099 Ledger from vouchers and offline adjustments. During this time, agencies can POST and UNPOST Adjustments as needed.

Wednesday, January 11, 2006 – Final 1099 Ledger Update from 1099 Adjustments entered between January 6 – January 11, 2006. The 1099 Detail Report will be automatically produced before 1099 Ledger Update and 1099 Summary Report will be automatically produced with 1099 Ledger Update for agencies to review. The 1099 Final Ledger Update will occur in overnight processing so users will have the entire working day to complete their adjustments.

Thursday, January 12, 2006– **LAST CHANCE DAY#1**-Agencies will receive final 1099 Detail and Summary Reports produced from the January 11th Final Update. The APXXX0412 Summary Report reflects the vendors and amounts that will be printed on the 1099 MISC form. Agencies can use this day to review and correct their data. To make any necessary 1099 adjustments, users must Post or Unpost

adjustments and verify changes made by requesting another 1099 Summary Report. User posting is necessary because FS will not run another update before the 1099 forms are printed.

Friday, January 13, 2006 – LAST CHANCE DAY #2: Agencies will receive final 1099 Detail and Summary Reports produced from the January 11th Final Update. The APXXX0412 Summary Report reflects the vendors and amounts that will be printed on the 1099 MISC form. Agencies can use this day to review and correct their data. To make any necessary 1099 adjustments, users must Post or Unpost adjustments and verify changes made by requesting another 1099 Summary Report. User posting is necessary because FS will not run another update before the 1099 forms are printed.

Monday, January 16, 2006 – State Holiday

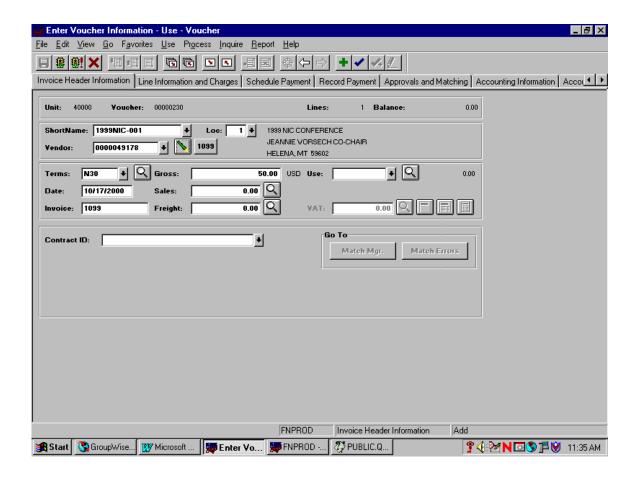
Tuesday, January 17, 2006- Users should not make any 1099 Adjustments or Posting on this day. Financial Systems will be processing 1099 information in preparation to print the next business day.

Wednesday, January 18, 2006- 1099 MISC Forms are printed and prepared to be disbursed out to agencies on Thursday, January 19th in normal courier deliveries.

Thursday, January 19- Friday, March 3, 2006 - 1099 Adjustments can be entered and <u>must</u> be posted to be reflected on the IRS file but a new 1099 form will not be printed by the State Accounting Office/CCC Print Facility. Corrected forms for vendors must be typed by the agency. If blank forms are needed for preparing a correction, contact IRS at <u>www.irs.gov</u> to obtain 1099 MISC and 1096 forms or SAO may have some extra forms, inquire via the Helpdesk.

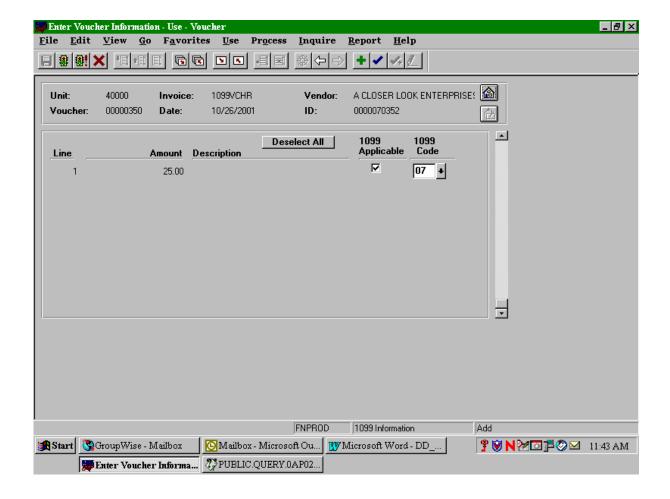
Monday, March 6, 2006 – Create Electronic IRS file containing 1099 vendor balances for all agencies and transmit to the IRS.

Attachment C – 1099 Panels



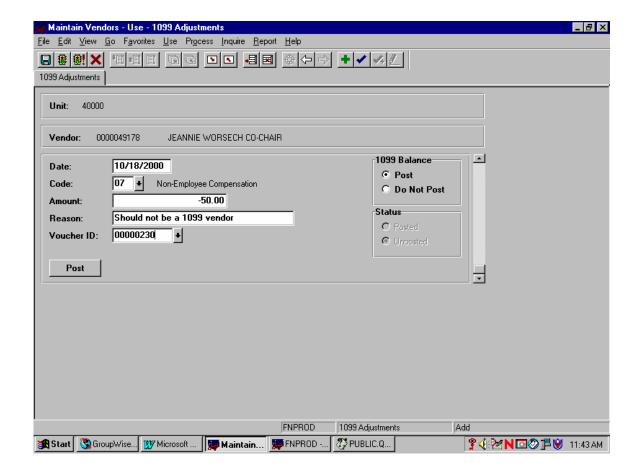
Recording/Deselecting Voucher as 1099 Applicable

• Click on the 1099 button, located on the Header panel of a voucher, to access panel to select or deselect 1099 applicable voucher lines.



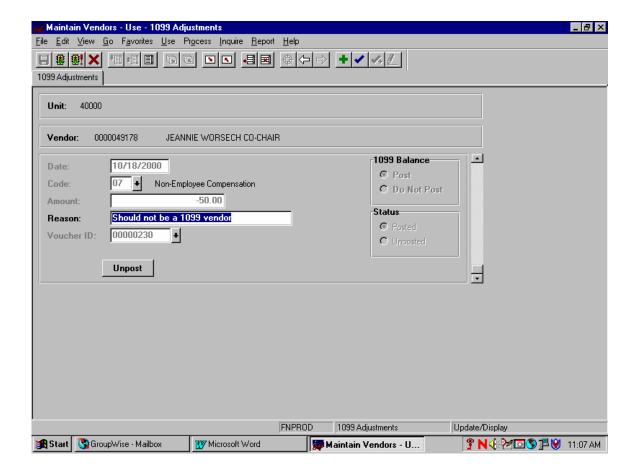
Recording/Deselecting Voucher as 1099 Applicable

- Click on the 1099 applicable check box to select or deselect voucher lines for 1099 processing.
- If an individual voucher line is deselected, it will not be selected for 1099 processing.
- If an individual voucher line is selected, it will be selected for 1099 processing.
- Click on the Deselect All button to deselect all voucher lines from 1099 processing.
- If necessary, the 1099 code can be changed.
- Click on the HOME button to return to the Invoice Header Information.



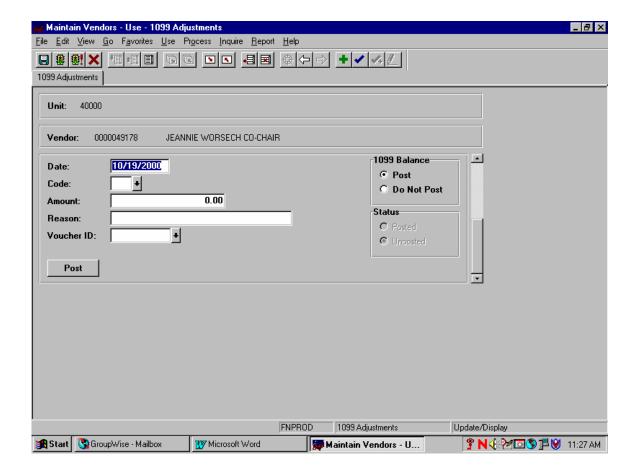
Entering and Posting a 1099 Adjustment

- Navigation: GO Administer Procurement Maintain Vendors Use 1099 Adjustments.
- Enter: Date of the 1099 Adjustment, appropriate 1099 Code, dollar Amount of the 1099 Adjustment (either positive or negative), Reason for the 1099 Adjustment, and Voucher ID being adjusted (if applicable). Note: the date used on an adjustment must be within the reporting period (i.e. a date prior to 12/31/05).
- A vendor must be established as a 1099 vendor to allow an adjustment to be made on the 1099 Adjustment panel.
- The 1099 Adjustment amount will add to or subtract from the 1099 Ledger Amount.
- In order to POST a 1099 Adjustment immediately, click on the POST button. The 1099 Balance Post radio button will default to POST.
- The 1099 Ledger Update process will post all transactions available to Post.
- Once the 1099 Adjustment is posted, it will be reflected on the 1099 Summary Report and the 1099 Balance Inquiry.



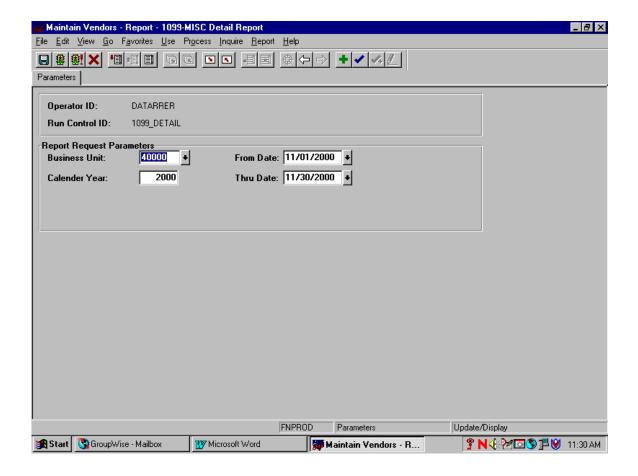
Unposting a 1099 Adjustment

- Navigation: GO Administer Procurement Maintain Vendors Use 1099 Adjustments.
- After reviewing the 1099 Summary Report, a 1099 Adjustment can be UNPOSTED immediately by clicking on the UNPOST button.
- Unposting reverses the 1099 Adjustment from the 1099 Ledger.
- If a 1099 Adjustment is UNPOSTED in error, you simply POST the 1099 Adjustment again in order to record the 1099 Adjustment to the 1099 Ledger.
- If a 1099 Adjustment has been entered but should not be updated to the 1099 Ledger by automatic 1099 Ledger Updates, select the Do Not Post option and save.



Adding Additional Adjustments

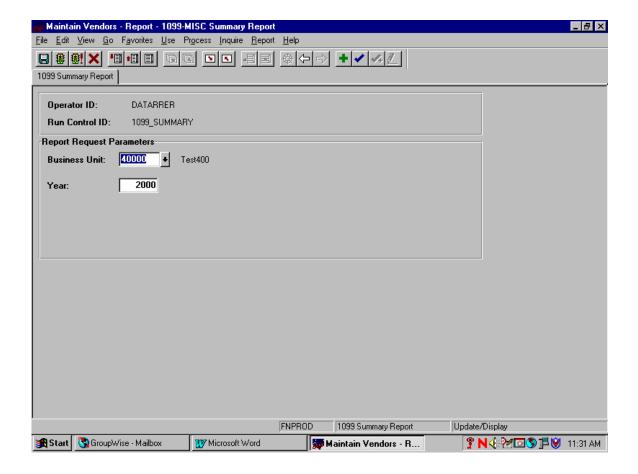
- Navigation: GO Administer Procurement Maintain Vendors Use 1099 Adjustment.
- If additional 1099 Adjustments are necessary for a vendor, a line should be inserted and 1099 Adjustment information entered (adjustment history will be there for each year).
- The system only wants to allow one 1099 Adjustment for a vendor to be entered in a day. The DATE field defaults to the current date. However, the DATE field can be changed as needed to record additional adjustments on the same day



Requesting the 1099 Detail Report (APXXX0413)

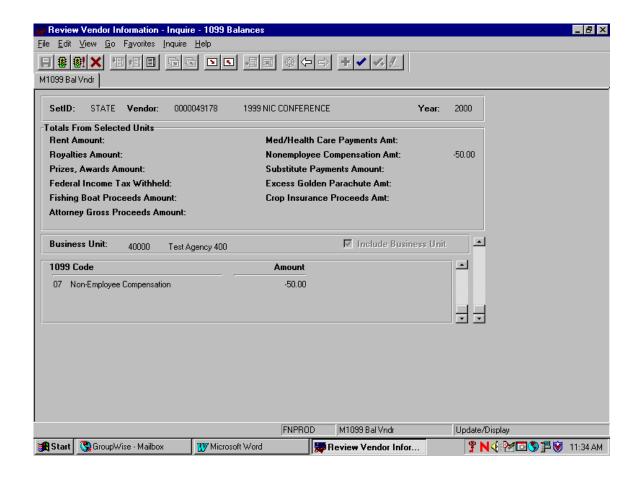
- Navigation: GO Administer Procurement Maintain Vendors Report 1099-MISC Detail Report.
- The 1099 Detail Report is an on-request report that can be requested at anytime and retrieved from Document Direct.
- Enter your Business Unit, the 1099 Calendar Date and the desired Payment From /Thru Date range.
- This report will be automatically produced before each scheduled 1099 Ledger Update.

NOTE: Once a voucher has been posted to the 1099 Ledger it will no longer appear on this report. Therefore, it is critical that these reports be retained from each update.



Requesting the 1099 Summary Report (APXXX0412)

- Navigation: GO Administer Procurement Maintain Vendors Report 1099-MISC Summary Report.
- The 1099 Summary Report is an on-request report that can be requested at anytime and retrieved from Document Direct.
- Enter your Business Unit and 1099 Calendar Year.
- This report will be automatically produced with each scheduled 1099 Ledger Update.



1099 Balance Inquiry

- Navigation: GO Review Vendor Information Inquire 1099 Balances.
- The 1099 Balance displays 1099 balances by vendor for all business units. You must scroll to your business unit to obtain the 1099 Balance for your agency.
- Click on the check box 'Include Business Unit' in order for all the 1099 codes amounts to be displayed for the given vendor for your agency.